

THE
LAKE COMPANY

LAKE KEOWEE, SC

FILED FOR RECORD
OCONEE COUNTY, S.C.

REGISTER OF DEEDS

COUNTY OF OCONEE) OAK STONE SHORES SUBDIVISION

2002 AUG 23 P 3:03

Ret. M. P. Shepard, Jr.
Law. P.O. Box 197
Anderson, SC 29622
16.00

013011

WHEREAS, by deed dated June 17, 2002, of record in the Office of the Register of Deeds for Oconee County, South Carolina, in Book 1225 at Page 304, Crescent Resources, LLC, conveyed unto Wellington Pointe, Inc., certain property more particularly described in said conveyance; and,

WHEREAS, the above referenced deed unto Wellington Pointe, Inc., contained certain protective and restrictive covenants concerning the use of the property described in said deed; and,

WHEREAS, Wellington Pointe, Inc., thereafter conveyed a portion of the property above described unto Oak Stone, Inc., by deed dated August 8, 2002, of record in the aforesaid Register's Office in Book 1233 at Page 195, said deed being subject to the above referenced restrictive covenants originally imposed by Crescent Resources, LLC; and,

WHEREAS, the above property conveyed unto Oak Stone, Inc., has been subdivided into a residential subdivision shown as Oak Stone Shores Subdivision, on a survey by Nu-South Surveying, Inc., dated August 1, 2002, of record in the Office of the Register of Deeds for Oconee County, South Carolina, in Plat Book A-892 at Pages 1 & 2, said subdivision containing 28 lots as shown on said survey; and,

WHEREAS, said lots as subdivided are intended for residential purposes only and Oak Stone, Inc., as developer of the subdivision above referenced wishes to impose restrictions in addition to those restrictive covenants originally imposed by Crescent Resources, LLC, on the above referenced instrument of record in the aforesaid Register's Office in Book 1225 at Page 304.

NOW THEREFORE, OAK STONE, INC., herein referred to as Developer of Oak Stone Shores Subdivision as shown on a survey on a survey by Nu-South Surveying, Inc., dated August 1, 2002, of record in the Office of the Register of Deeds for Oconee County, South Carolina, hereby imposes upon said development the following restrictions, reservations, easements and covenants which are intended for the benefit of each owner of said lots and are to inure to the benefit of the lot owners and shall be binding upon the owners, their successors in interest, their heirs and assigns, to wit:

1. No improvements shall be erected, placed, altered or changed on any lot in the subdivision until and unless the building plans, specification and plot plan showing the proposed type of constructions, exterior design, and location of such improvement have been approved in writing by the Architectural Control Committee as to conformity and harmony of external design and consistence of plan with existing improvements on the other lots in the subdivision and as to the location of the structure with respect to topography and finished ground elevation. In addition,

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Landscape development plan must likewise be submitted and approved by the Architectural Control Committee showing the location of all exterior lighting, proposed fences, swimming pools, energy producing devices, boundary or patio walls, hedges, shrubbery, walkways, driveways, parking areas and important trees. Application for approval as required herein shall be made to the Architectural Control Committee and at the time of making such application the building plans, specifications, plot plans and landscape plans shall be submitted in duplicate. One copy of such plans and specifications will be retained by the committee and the other copy will be returned to the applicant with approval or disapproval plainly noted thereon. In the event that the Architectural Control Committee fails to approve or disapprove such plans within thirty (30) days after they have been submitted to it, or if no suit to enjoin the erection or alteration of such building or improvement has been commenced before such erection or alteration is substantially completed, approval of the Architectural Control Committee will be conclusively presumed and this covenant will be deemed to have been fully complied with. The term "building or improvement" shall be deemed to include the erection, placement or alteration of any wall, fence, driveway or parking area. Upon the approval of the Committee of any proposed construction or alteration, the Committee shall issue to the applicant a written permit. No construction or alteration of the lot(s) shall be carried on until and unless such permit is

obtained.

2. The Architectural Control Committee of said subdivision shall initially be composed of Clifford H. Bowman and Jere duBois. In the event of a vacancy on the Architectural Control Committee, or the failure or inability of any member to act, the vacancy shall be filled by majority vote of the remaining members on said committee. Upon the sale of all lots in the subdivision, the duties of the Architectural Control Committee shall be turned over to the Oak Stone Shores Homeowners Association as set out below.

3. No residence shall be constructed on any lot nearer than forty feet to the front lot line, front lot line being defined as that line abutting a street within said subdivision, nor nearer than ten (10) feet to any side lot line. All residences constructed in said subdivision must face the front lot line. Any detached garage erected in said subdivision shall be no closer to the front lot line than the main residence built on said lot nor nearer than ten feet to any side lot line. Any such detached garage must contain a minimum of four hundred square feet and the plans therefor must be approved as to building materials, appearance and placement by the Architectural Control Committee.

4. Developer hereby reserves unto itself, its Successors or Assigns, drainage and utility easements ten (10) feet in width along all side and front lot lines.

5. The Purchaser of any one or more lots in Oak Stone Shores subdivision, and any future owner(s) thereof and their heirs and

assigns, by the acceptance of a deed thereto, covenant and agree that they will not now, or at any future time, without the express written consent of Architectural Control Committee (which will have the absolute discretion to determine the location of any proposed boat dock) apply for, seek, request or accept an individual boat dock permit.

6. Oak Stone Shores Homeowner's Association, Inc., will be formed and owned by the individual lot owners of the subdivision and will be controlled by the By-Laws of the association. The developer may convey unto the Association any properties that the Developer, in its sole discretion, deems to be for the best and common use of the lot owners in said subdivision, including all streets which are classified private. Purchase of a lot in the subdivision entitles the purchaser to a share in the Home Owners Association. Each lot owner's share in the association shall be non-assignable and transferable only with the conveyance of each lot from time to time. Membership is not optional and runs with the land. Upon the conveyance of any lot within the said subdivision, the grantor's interest in the Home Owners Association will automatically vest in the new owner of the lot upon recordation of the deed. Each owner of a lot shall be entitled to one (1) vote per lot in the said Home Owners Association for each lot owned, including the developer. Oak Stone Shores Membership shall be appurtenant to and may not be separated from ownership of the property. In the event of joint ownership of a lot or lots,

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said joint owners will be entitled to one (1) vote per lot as determined between them and if an agreement cannot be reached by the said joint owners at the time of annual meetings of the Home Owners Association, then said vote will not be counted. There shall be an original membership fee of Two Hundred Fifty and no/100 (\$250.00) to be paid to the Home Owners Association at the time of the original purchase of a lot in the subdivision in exchange for a share in the Home Owners Association corporation; the developer, Oak Stone, Inc., shall be exempt from said original membership fee. The initial membership fee for each lot shall be paid on a one time basis and there shall be no additional membership fee at the time of a subsequent conveyance of the lot. This original membership fee shall be used to establish a reserve account for the Home Owners Association which funds will be utilized for the maintenance of any common areas, street lights, streets and for any other matters which the Home Owners Association should desire and deem expedient for the safety, comfort, welfare and enjoyment of the owners of the lots in the subdivision. The Home Owners Association shall have the right to determine the amount of funds necessary on an annual basis to maintain the common areas and to levy an annual assessment or dues on each lot owner, exclusive of the developer which shall be exempted as to lots owned by it, as more fully provided in the By-Laws of the said Home Owners Association. The charges, assessments or dues levied by the association as hereinabove provided shall be paid to it on or before the final

LAKE KEOWEE SC Fixed by resolution of the Board of Directors. Written notice of the charge and date of payment shall be sent to each owner at the address last given by the owner to the association. If any charges levied against any lot shall not be paid when due, it shall become a lien upon said lot subject only to matters of record on such due date and shall remain a lien until paid in full. The Board of Directors may direct that such action be instituted either at law or in equity for the collection of such assessments or charges including interest, costs of collection and attorney's fees as they deem appropriate. The sale or transfer of any lot shall not effect any lien for charges provided for herein. Upon request, the association shall furnish a statement certifying that the charges against a specified lot have been paid or that certain charges remain unpaid as the case may be. In any event, the association shall not be required to transfer membership on its books or to allow the exercise of any rights or privileges of membership by any member unless and until all the assessments and charges due it are paid.

* 7. The roads within Oak Stone Shores subdivision shall be private roads and shall be maintained by the Homeowners Association as set out above.

8. No lot or lots in said subdivision shall be subdivided or altered without the written consent of the Architectural Control Committee; provided however, the Developer reserves the right to divide any lot shown on the subdivision plat into two (2) or more

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parcels. LAKE KEOWEE, SC

9. Subject to the provisions of Paragraph 6 the restrictions of record in the special warranty deed of record in the aforesaid Register's Office in Book 1225 at Page 304, any storage building or shed must be approved as to location and construction by the Architectural Control Committee prior to construction on any lot. All boats, boat trailers, travel trailers, motor homes or other recreational vehicles shall be stored so that they are not visible from the street in said subdivision.

10. Any swimming pool, wading pool or other type container of water used for recreational purposes shall not be visible from any street in the subdivision, and further shall be approved as to construction and location by the Architectural Control Committee.

11. Any fuel oil tanks shall be buried underground and out of view. It shall be the responsibility of the lot owners to obtain any necessary permits for said tanks. By acceptance of his deed any lot owner hereby indemnifies and holds harmless developer from any liability for environmental liability.

12. Garbage and trash cans, woodpiles and clothes lines must be located so that they will not be visible from any street in the subdivision.

13. No signs shall be permitted on any lots except that a single sign offering property for sale or for rent may be placed on any such lot providing such sign is not more than twenty six inches wide and twenty inches high.



14. The Developers of Oak Stone Shores hereby reserve unto themselves, their heirs, successors and assigns, the right to modify or amend these restrictions in any or all particulars as they deem necessary to maintain the harmony and integrity of the subdivision.

15. After the sale of all lots in the subdivision, these covenants may be amended by a majority vote of the lot owners in said subdivision, each lot owner having one vote for each lot owned.

16. These covenants shall run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty five years from the date hereof, at which time said covenants shall automatically be extended for successive periods of ten years unless by vote of a two thirds majority of the then owners of the lots in said subdivision, it is agreed to change said covenants or revoke same in whole or in part. In such vote, each lot shall be entitled to one vote and only one vote. If the parties hereto, their heirs, successors or assigns, shall violate or attempt to violate any of the covenants contained herein, it shall be lawful for any person owning any real property situate in said development which is subject to these restrictions, to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, and either prevent him or them from so doing, or to recover damages for such violation. No violation of any of these covenants by judgment

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LAKE KEOWEE, SC

of court order shall in any way affect any other provisions contained therein shall remain in full force and effect.

WITNESS our hands and seals this 23rd day of August, 2002.

In the Presence of:

OAK STONE, INC.

By: [Signature]

ITS: [Signature]

Denise R. Diebold

STATE OF SOUTH CAROLINA)
COUNTY OF OCONEE)

ACKNOWLEDGMENT

I, the undersigned, a Notary Public for the State of South Carolina, do hereby certify that Oak Stone Inc., by its duly qualified officer, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and seal this 23rd day of August, 2002.

[Signature]
Notary Public for South Carolina
My Commission Expires: 5/1/08



ARTICLE 1

Doc ID: 001048850010 Type: DEE
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NAME AND PURPOSE

Section 1.1 Name The name of The Association is "Oak Stone Shores Home Owners Association, Inc.", hereinafter referred to as "The Association".

Section 1.2 Purpose The purpose of The Association is to establish a non-profit entity, chartered by the State of South Carolina, to establish rules for the use of the land, to receive the title to the common area from the Developer, to enforce all covenants and restrictions dealing with the property, and to maintain the common areas and private road within the development.

ARTICLE 2

MEMBERSHIP

Section 2.1 Members The members of The Association shall be the owners of Lots 2 through 28, Oak Stone Shores as shown on a plat by Nu-South Surveying, Inc., dated August 1, 2002 and recorded in Oconee County, South Carolina in Plat Book A-892, page 1 & 2. hereafter referred to as Member(s) (For the purposes of voting, dues and assessments, the election of directors, a Member refers to a single representative from each of the 27 lots. Representative must be a responsible adult of at least 21 years of age.)

Section 2.2 Disqualification A Member is automatically disqualified upon the conveyance by the Member of his lot.

Section 2.3 Voting Rights At all meetings of the membership, each Member in good standing may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary prior to the meeting. A Member of The Association may not assign their voting rights to a tenant or to a non-Member of The Association.

Section 2.4 Contact Address Each membership is responsible for providing a current postal mailing address or an E-mail address for all Association correspondence. Communications sent via E-mail will satisfy all the same requirement of notification as material sent via the US Mail.

Ret:

OAK STONE SHORES, HOA
217 OAK STONE DR
WEST UNION, SC
29696

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MEETINGS

Section 3.1 Annual Meeting There will be an annual meeting to elect directors and conduct the business of The Association. The annual membership meeting shall be called by the board of directors with the majority of the directors agreeing on a date in January of the new fiscal year.

Section 3.2 Additional Meetings Special meetings of the general membership may be called by the Board of Directors as outlined in Article 3 Section 1. A petition signed by 25% of the membership, addressed to the President of The Association and stating specific business related to The Association, will be sufficient and cause a special meeting of the general membership to be called. At a special meeting, no business shall be conducted except that stated in the notice of said special meeting.

Section 3.3 Notice of Meetings Written notice of each meeting of the Members shall be given by Secretary by mailing a copy of such notice, postage pre-paid not less than 30 days nor more than 60 days before the date of such meeting to each Member entitled to vote at the meeting, addressed to the Members address last appearing on the books of The Association. The written notice will specify the place, date and hour of the meeting and in the case of a special meeting, the purpose of the meeting.

Section 3.4 Quorum of Members At all meetings, attendees entitled and eligible to vote, will constitute a quorum. A majority of the votes entitled to be cast by a quorum at any meeting shall be necessary for the adoption of any resolution with the exception of "Changes and Amendments to the by-laws," Article 9, which requires a majority approval vote of the membership.

Section 3.4 Action by Members. Except as provided otherwise in these Bylaws, any act or decision approved by a majority vote of all voters present at a duly held meeting of the Members at which a quorum is present shall be regarded as an act of the Membership. See exceptions in Article 8.

Section 3.5 Informal Action by Members. Any action which may be taken at a meeting of the Members may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all the Members who would be entitled to vote upon such action at a meeting and filed with the Secretary of The Association to be kept in The Association's minute book.

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ARTICLE 4

BOARD OF DIRECTORS

Section 4.1 Directors A Board of Directors will be elected and conduct the business of The Association. The Board of Directors shall consist of Five (5) individual Members, in good standing, elected from the general membership. They must at least 21 years of age. They will serve without pay or compensation of any kind and will hold office and carry out their duties gratuitously.

Section 4.2 Term Directors will serve for a term of two years. On the initial Board, three (3) directors shall be elected for two years, being the persons receiving the largest number of votes. The remaining two (2) shall be elected for one year and will be those persons receiving the next largest number of votes. Thereafter, directors will be elected for a two (2) year term. Retiring board Members may be re-elected. A vacancy on the board will be filled by appointment of the Board of Directors to serve the unexpired term of the vacancy.

Section 4.3 Nomination and Election Nominations for new board Members will be made from the floor at the annual meeting (Nominees must be present.) Board Members will then be elected by secret ballot. A majority vote is required for election.

Section 4.4 Meetings The Board of Directors will meet following the annual membership meeting and as often as the Board sees fit. Special Meetings of the Board of Directors shall be held when called by the President of The Association, or by any two Directors, after not less than three (3) days notice to each Director.

Section 4.5 Election of Officers The Board, from its Members, will annually elect a President and Vice President. These officers shall perform such duties as are incident to the day to day operation of The Association. The board will appoint a Secretary/Treasurer who may or may not be a board Member

Section 4.6 Removal At any duly called meeting, any Director may be removed from the Board, with or without cause, by a majority vote of the members. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4.7 Quorum of Directors A majority of the Board of directors, either in person or via teleconference, shall constitute a quorum for the transaction of business. Every act done, or a

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decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as an act of the Board.

Section 4.8 Non Board Appointments Committees and individuals from the membership may be appointed by the Board to advise or serve the Board in specific areas or assist with specific projects. The Secretary/Treasurer of The Association maybe a non-board position.

Section 4.9 Informal Action by Directors Action taken by a majority of the Directors without a meeting is nevertheless a Board action if written consent to the action is signed by all of the Directors and filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

Section 4.10 Liability of the Board The Members of the Board of Directors shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise except for their own individual willful misconduct or bad faith. The Owners shall indemnify, defend and hold harmless each of the Members of the Board against all contractual liability to others arising out of contracts made by the Board on behalf of The Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Covenants or these Bylaws. It is intended that the Members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of The Association, except to the extent that they are Owner(s).

ARTICLE 5

POWERS AND DUTIES OF DIRECTORS

The Board of Directors has the power to conduct such general business as is necessary for the good and benefit of the Members and to achieve the purposes of these By-Laws and Covenant. These powers include but are not limited to:

(a) exercise for The Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, the Covenants or the Restrictions

(b) enforce the provisions of the Covenants and to enjoin and/or, at its discretion, seek damages or other relief for violation of such provisions or rules and/or by Individual Assessment recoup from any Owner the cost of damages for said violation.

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(c) the disbursement of funds for actual expenses in an amount not to exceed 15% of the approved annual budget. Any exceptions must be approved by all board Members. At no time shall the directors cause or approve any deficit spending.

(d) appoint and remove as necessary, any officer agent or employee of The Association, prescribe their duties, fix their compensation and require of them such security or fidelity bond as it may deem expedient

(e) procure and maintain adequate liability insurance covering The Association, the Directors and Officers thereof and adequate hazard insurance on the property owned by The Association

(f) require all officers or employees having fiscal responsibilities to be bonded, if appropriate; and

(g) employ outside consultants including legal representation to assist the directors of The Association when necessary. However, no contract shall be entered into which exceeds the term of 12 months.

(h) grant easements for the installation and maintenance of sewer or water lines and other utilities or drainage facilities upon, over, under and across the Common Areas without the assent of the membership when such easements are requisite for the convenient use and benefit of the Property;

ARTICLE 6

OFFICERS AND THEIR DUTIES

Section 6.1 Officers The officers of The Association shall be a President and Vice President, (who shall at all times be Members of the Board of Directors), a Secretary/Treasurer, and such other officers as the Board may choose to elect.

Section 6.2 Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 6.3 Term Board officers will be elected annually and each shall hold office for one (1) year or until his resignation, removal, disqualification, or his successor is elected.

Section 6.4 Resignation and Removal The Board may remove any officer with or without cause. Any officer may resign at any time by giving written notice to the Board,. Such resignation

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shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective.

Section 6.5 Vacancies A vacancy in any office may be filled by appointment by the Board.

The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 6.6 Multiple Offices The same person may hold the offices of Secretary and Treasurer. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 6.1 of the Bylaws.

Section 6.7 Duties The duties of the officers are as follows:

(a) President. The President shall be the principal executive officer of The Association, and subject to the control of the Board. He will supervise and control the management of The Association. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall sign all checks and promissory notes.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary/Treasurer. The Secretary/Treasurer shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members. He shall serve notice of meetings of the Board and of the Members. Shall keep current records showing the Members names and addresses. The Secretary/Treasurer will also receive and deposit in appropriate bank accounts all monies of The Association and shall distribute such funds as directed by resolution of the Board of Directors. He shall keep proper books of account, and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and shall perform such other duties as required by the Board.



ARTICLE 7

ANNUAL DUES AND ASSESSMENTS

Section 7.1 Dues and Assessments All memberships are required to pay annual dues and special assessments at such time and in such amounts as specified in these by-laws in order to be a Member in good standing, to be able to vote and to exercise the privileges of membership. Any dues or assessments not paid within 60 days of notification may cause legal action to be taken. No Member may waive or otherwise escape liability for the Dues or Assessments provided for herein by non-use or abandonment of the Property

Section 7.2 Annual Dues The amount of Annual Dues will be set at the annual meeting of the membership and payable within 30 days. Annual dues will be sufficient to cover the anticipated day to day expenses of The Association for each fiscal year.

Section 7.3 Assessments Special assessments will be levied equally against each Member to defray the costs of special projects or capital improvements as approved by the membership in accordance with these by-laws,

Section 7.4 Construction Fee Each member beginning the construction of a residence will be assessed a one time construction fee payable within 30 days. Said construction fee will be held in reserve for future road maintenance. Fee to be set at the annual meeting of the members and may be changed upon resolution at any subsequent annual meeting. Any changes in the fee will not be retroactive to existing members.

Section 7.5 Road Reserve In addition to the construction fee referenced in Section 7.4, each member will annually contribute to a fund held exclusively for road repair and maintenance. The annual amount, determined by the Board of Directors, will be based on the current condition of the road and anticipated life expectancy. Road Reserve funds will be billed with the annual dues and payable within 30 days.

ARTICLE 8

ARCHITECTURAL CONTROL COMMITTEE

A committee of three Members will be appointed by the directors to review all proposed construction within the sub-division. This committee will provide assistance in reviewing the sub-

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division Covenants (exhibit A) and the subdivision Restrictions (exhibit B) to identify areas of possible non-compliance. Any questions or issues concerning the restrictions imposed by Oak Stone Shores will first be directed to the Architectural Control Committee for resolution and decisions made, with board approval, will be final.

This committee will also make recommendations to the Directors on any updates, additions or deletions, to the Covenants that they deem necessary.

ARTICLE 9

AMENDMENTS TO BY-LAWS

These Bylaws may be amended, at a regular or special meeting by a majority vote of the membership.

ARTICLE 10

CONFLICT

In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Covenants and these Bylaws, the Covenants shall control.

In the event of ambiguous wording or contradictory statements within the By-Laws, a unanimous vote by The Association Directors will be sufficient to resolve the issue and approve making the necessary changes to the documents to avoid future confusion.

ARTICLE 11

BOOKS AND RECORDS

The books, records and papers of The Association shall at all times be subject to inspection by any Member. The Articles of Incorporation, the Bylaws and Covenants shall be available for inspection by any Member at the principal office of The Association by contacting any one of The Association officers.

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ARTICLE 12

MISCELLANEOUS

Section 12.1 Fiscal Year The fiscal year of The Association shall begin on the first (1st) day of January and end on the thirty-first (31st) day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 12.2 Compensation No Director, Officer, Committee Member or individual will receive compensation for say services rendered to The Association. They may, however, be reimbursed for actual expenses incurred in the performance of their duties.

Section 12.3 Check Signing Each check drawn on Association funds will require the signature of 2 directors.

ARTICLE 13

INDEMNIFICATION

The Association may purchase and maintain insurance on behalf of any person who is acting on behalf of The Association, against any liability asserted against him and incurred by him in such capacity, or arising out of his status as such, whether or not The Association would have the power to indemnify him against such liability.

The Association's indemnity of any person shall be reduced by any amounts such person may collect as indemnification (i) under any policy of insurance purchased and maintained on his behalf by The Association.

Nothing contained in this Article 12, or elsewhere in these Bylaws, shall operate to indemnify any Director or Officer if such indemnification is for any reason contrary to any applicable State or Federal law.

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ARTICLE 14

COVENANTS and RESTRICTIONS

The Covenants and Restrictions (Exhibits A and B) as filed with the Office of the Register of Deeds for Oconee County, South Carolina, in Book 1225 at Page 308 and in Book 1236 at Page 090 are part of these By- Laws and are attached hereto.

WITNESS our hands and seals this 1 day of Aug 2006.

In the Presence of:

OAK STONE SHORES HOME OWNERS ASSOCIATION, INC

Janet N. Klein
Witness

By: Kenneth R. Klein
Kenneth R. Klein, President

Maue R. Surpin
Witness

STATE OF SOUTH CAROLINA
COUNTY OF OCONEE

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2006 AUG - 1 - A 9 46

I, Harriett L. Thomas, a Notary Public for the State of South Carolina do hereby certify that Kenneth R. Klein personally appeared before me this day and acknowledged due execution of the foregoing instrument.

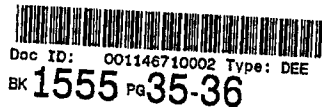
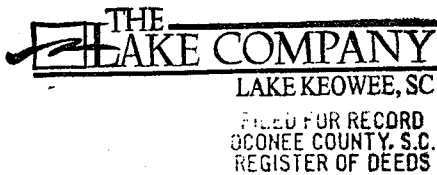
Witness my hand and official seal this 1st day of Aug 2006

Harriett L. Thomas
Notary Public
State of South Carolina

My commission expires 12-13-09

SEAL

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2006 DEC 27 A 11:24
STATE OF SOUTH CAROLINA) AMENDMENT TO RESTRICTIONS
COUNTY OF OCONEE) FOR OAK STONE SHORES

WHEREAS, Restrictions for Oak Stone Shores were recorded in the Office of the Clerk of Court for Oconee County on in Deed Book 1225, page 308, records of Oconee County, South Carolina;

WHEREAS, Item 2, Restrictions, entitled "Single Family Use" describes certain restrictions for lot use;

WHEREAS, a vote was taken to append and include additional restrictions as to use and was passed by a majority vote of the owners;

NOW THEREFORE, Know All Men By These Presents that we, the undersigned, being the duly elected Officers of the Oak Stone Shores Home Owners Association, Inc., do hereby agree and consent on behalf of the owners to and by these presents amend the Restrictions of Oak Stone Shores as follows:

Exhibit B,(Restrictions), Section 2 (Single Family Use), shall be amended to insert the following:

Any short term ownership or leasing arrangement for a Lot, or one having the characteristics of a vacation time-sharing ownership plan, a vacation time-sharing lease plan or other form of shared or interval ownership is expressly prohibited. Only a long term lease, of at lease one year, will be considered for approval by the Board of Directors of the Home Owners Association.

All other terms of said Covenants and Restrictions shall remain in full force and effect.

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Ret.
011175
Oak Stone Shores Homeowners Assoc - Inc.
217 Oak Stone Dr.
West Union, SC 29696

Signature Page Follows



Signature Page

PETITION FOR THE AMENDMENT TO RESTRICTIONS FOR OAK STONE SHORES,
EXHIBIT B, ITEM 2, Single Family Use

WITNESS our hands and seals this 27 day of December 2006.

Oak Stone Shores Home Owners Association, Inc.

By: [Signature]
Kenneth R. Klein, President

By: [Signature]
Janet H. Klein, Secretary

[Signature]
witness

[Signature]
Witness

STATE OF SOUTH CAROLINA
COUNTY OF OCONEE

I, Harriett L. Thomas, a Notary Public for the State of South Carolina do hereby certify that Kenneth R. Klein and Janet H. Klein, personally appeared before me this day and acknowledged due execution of the foregoing instrument.

Witness my hand and official seal this 27th day of December 2006

[Signature]
Notary Public
State of South Carolina

My commission expires 12-13-09

SEAL